

ITR-2 Return Filing:

A Complete Guide for Individuals & HUFs

What is ITR-2?

ITR-2 is a tax return form used by individuals and HUFs (Hindu Undivided Families) who earn income from various sources other than business or profession. It is suitable for those having capital gains, multiple house properties, foreign assets, or high-income earnings.

✔ Who Should File ITR-2?

- ✔ Salaried individuals earning more than ₹50 lakh per year
- ✔ Individuals earning capital gains (sale of stocks, mutual funds, property, etc.)
- ✔ Income from more than one house property
- ✔ Individuals with foreign income or assets
- ✔ Directors of companies or those holding unlisted equity shares
- ✔ NRIs (Non-Resident Indians) and RNORs (Residents but Not Ordinarily Residents)

✗ Who Cannot File ITR-2?

- ✗ Individuals earning income from business or profession (must file ITR-3)
- ✗ Those opting for presumptive taxation (ITR-4)
- ✗ Individuals who have income only from salary, one house property, and interest income (can file ITR-1)

Documents Required for ITR-2 Filing

- ✂ PAN Card – Permanent Account Number
- ✂ Aadhaar Card – Mandatory for e-filing
- ✂ Form 16 – Issued by the employer (for salaried individuals)
- ✂ Form 26AS – Tax credit statement for TDS details
- ✂ Capital Gains Statement – From mutual funds, shares, or property sale
- ✂ Bank Statements – Interest income details
- ✂ Investment Proofs – For deductions under Sections 80C, 80D, 80E, etc.
- ✂ Foreign Income Details – If applicable
- ✂ Rental Income & Home Loan Interest Certificate – If claiming house property deductions

Due Date for ITR-2 Filing

- 📅 Last Date for ITR-2 Filing: July 31st (for individuals without audit)
- 📅 With Late Fee: December 31st (penalty applies)

 Penalty for Late Filing: ₹1,000 to ₹5,000 under Section 234F

Benefits of Filing ITR-2 on Time

- ✓ Faster Processing of Refunds – Get tax refunds quickly
- ✓ Avoid Penalties & Notices – Stay compliant with tax laws
- ✓ Proof of Income – Useful for loan approvals, visa applications
- ✓ Carry Forward Capital Losses – Adjust losses against future profits

Common Mistakes to Avoid in ITR-2 Filing

- ✗ Choosing the Wrong ITR Form – Filing ITR-1 instead of ITR-2 can lead to rejection
- ✗ Not Reporting Capital Gains – Failing to disclose stock or mutual fund gains can invite penalties
- ✗ Incorrect Bank Details – Can delay tax refunds
- ✗ Not Declaring Foreign Income – NRIs must disclose global earnings
- ✗ Forgetting to E-Verify – Filing is incomplete without verification

Conclusion

Filing ITR-2 is essential for individuals and HUFs with complex income sources like capital gains, foreign assets, or multiple house properties. By filing before the due date, verifying details carefully, and claiming all deductions, you can ensure compliance and maximize tax savings.

Need Help with ITR-2 Filing?

Our tax experts can assist you in **filing your ITR-2 accurately** and maximizing refunds.

Contact us today for hassle-free tax filing! 